

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF MANAGEMENT SERVICES
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Institution Accounting 4.2	EFFECTIVE DATE: 10/23/85
TITLE: Reimbursement of Canteen Operations Expense	REVISION DATE: 10/31/92
AUTHORIZED BY: Cheryl Thompson, Deputy Director	PAGE 1 OF 2

BACKGROUND

The Legislative Audit Bureau has recommended that salary and fringe benefit expense for staff directly employed in canteen operations be charged to the canteen fund. In addition, generally-accepted accounting principles for proprietary funds require the matching of expense to the production of income.

POLICY

The direct costs incurred in support of canteen operations at DHSS institutions should be charged to the canteen fund consistent with this policy. The larger DHSS canteens produce sufficient income to meet all direct salary and fringe benefit expense incurred in canteen operations. For other institutions, the Division of Care and Treatment Facilities or the Division of Youth Services shall specify the percentage of direct salary and fringe benefit expense to be reimbursed by the canteen.

PROCEDURES

1. Appropriation 330 is established to account for expenses and revenue under 20.435 (3) (jr) for Division of Youth Services Canteen Operations supported by the Department. Appropriation 237 is to be used for DCTF institutions under 20.435 (2) (gk). If Appropriation 237 is not solely used for canteen operations, a project should be established for canteen operations.
2. Salary and fringe paid to staff in authorized positions or partial positions shall be charged directly to Appropriation 330 or Appropriation 237.
3. Monthly funding shall be obtained from the Canteen Fund equal to the amounts expensed in the previous month.
4. The amounts expensed for the previous month shall be the monthly expenditures as recorded on the Monthly Appropriation Control Report.
5. No invoice or accounts receivable will be prepared or recorded for these amounts.

6. Payments received from the Canteen Fund shall be deposited as Revenue in Appropriation 975 and then transferred to Appropriation 330/Account 403050 or Appropriation 237/Account 403050.
7. All funds received from the Canteen Fund shall be recorded in the year that the expenditure has been recorded. If funds are due from the Canteen Fund to cover current year costs, the receivable should be reported to the Lead Accountant immediately. If it is not possible to cover the deficit with this canteen receivable, the institutions' general operating appropriation will be used to cover any year-end cash deficit. These transfers, if necessary, must be made prior to year-end cut-offs.

REFERENCES

Wisconsin Statutes 20.435 (3) (jr) and 20.435 (2) (gk)
Section 2020 (3) (a) and (b) and 2120 (11M) Chapter 317, Laws of 1981

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